

# THE EXCEL CENTER

## 2012-2013 Performance Analysis

### Core Question 2: Is the organization effective and well-run?

2.1. Is the school in sound fiscal health?	
<b>STANDARD</b>	<b>2.1-1: The school demonstrates satisfactory performance in all areas identified: Enrollment Variance, Current Ratio, Days Cash on Hand and Debt Default</b> <b>2.1-2: The school demonstrates satisfactory performance in all areas identified: 3 Year Aggregate Net Income, Debt to Asset Ratio, and Debt Service Coverage Ratio</b> <b>2.1-3: The school does not present concerns in the financial audit or financial reporting requirements</b>

### 2012-13 2.1-1 Performance: Exceeds Standard

Indicator	Ratio	Measures	Rating	2012-13	2012-13
2.1 Short Term Health	Enrollment Variance Ratio	Enrollment Ratio equals or exceeds 99%	<b>Meets Standard</b>	114%	Exceeds
		Enrollment Ratio is between 90% - 98%	<b>Approaching Standard</b>		
		Enrollment Ratio is less than or equal to 89%	<b>Does Not Meet Standard</b>		
	Current Ratio	Current Ratio equals or exceeds 1.1	<b>Meets Standard</b>	4.29	
		Current Ratio is between 1.0 - 1.1	<b>Approaching Standard</b>		
		Current Ratio is less than or equal to 1.0	<b>Does Not Meet Standard</b>		
	Days Cash On Hand	Days cash on hand equals or exceeds 45	<b>Meets Standard</b>	54	
		Days cash on hand is between 30-45 days	<b>Approaching Standard</b>		
		Days cash on hand is less than or equal to 30 days	<b>Does Not Meet Standard</b>		
	Debt Default Evidence	Not in default or delinquent	<b>Meets Standard</b>	Meets	
Default or delinquent		<b>Does Not Meet Standard</b>			

The Excel Centers **exceeded** standard for core question 2.1-1 for the 2012-13 school year. Based on data from the September 2012 count day, the school exceeded the enrollment targets stated in its charter agreement. For this reason, the school met standard for this sub-indicator. The school

had more current assets than current liabilities (those due in the next 12 months) and as a result met standard for this sub-indicator. The Excel Centers ended the year with 54 days of cash on hand. This means that if payments to the school had stopped or been delayed post June 30, 2013, the school would have been able to operate for 54 more days. As a result, the school met standard for this indicator. Finally, the school successfully met its debt obligations based on the information that Greenwalt, the school's auditor, provided. There was no communication from any of the school's creditors to indicate anything to the contrary. Since the school met standard for all of the sub-indicators, it exceeded standard for core question 2.1-1.

**2012-13 2.1-2 Performance: Exceeds Standard**

2.2 Long Term Health	3 Year Aggregate Net Income	Aggregate 3 year Net Income is positive and most recent year is positive	<i>Meets Standard</i>	NA	Exceeds
		Aggregate 3 year Net Income is positive and most recent year is negative	<i>Approaching Standard</i>		
	Net Income	Aggregate 3 year Net Income is negative	<i>Does Not Meet Standard</i>	\$909,754.00	
	Debt to Asset	Debt to asset ratio is less than or equal to 0.9	<i>Meets Standard</i>	0.13	
		Debt to asset ratio is between 0.9 - 0.95	<i>Approaching Standard</i>		
		Debt to asset ratio equals or exceeds 0.95	<i>Does Not Meet Standard</i>		
	Debt Service Coverage (DSC) Ratio	DSC ratio equals or exceeds 1.15	<i>Meets Standard</i>	NA	
		DSC ratio is between 1.05-1.15	<i>Approaching Standard</i>		
		DSC Ratio is less than or equal to 1.05	<i>Does Not Meet Standard</i>		

The school **exceeded** standard for core question 2.1-2. The school met standard for the net income sub-indicator in that it generated a positive net income for the fiscal year. It is important to note that the school's net income includes a non-cash loss of \$986,967 that occurred as a result of the Common School Loan forgiveness. Notes 1 and 3 (pages 6-9) in the audit explain the legislative changes that led to this loss in greater detail. Additionally, the school met standard for the sub-indicator regarding debt to asset ratio. The school's assets exceeded its debts. Finally, the school has no long-term liabilities. Therefore, it was not necessary to calculate the debt service coverage ratio. Since the school met standard for the two applicable sub-indicators, it exceeded standard for core question 2.1-2.

**2012-13 2.1-3 Performance: Approaching Standard**

2.3 Reporting Requirements	Annual Independent Accrual Based Audit	Receives a clean audit opinion	<i>Meets Standard</i>	Approaching	Approaching
		Receives a clean audit opinion with a few significant deficiencies noted but no material weaknesses	<i>Approaching Standard</i>		
		Receives an audit with multiple significant deficiencies, material weakness or is a going concern	<i>Does Not Meet Standard</i>		
	Financial Reporting Requirements	Satisfies all financial reporting requirements	<i>Meets Standard</i>	Meets	
		Fails to satisfy financial reporting requirements	<i>Does Not Meet Standard</i>		

The school **approached** standard for core question 2.1-3. The school approached standard for its annual accrual based audit because while it received a clean audit report, it received one significant deficiency for internal controls over financial reporting. It is important to note that this significant deficiency does not impact the materiality of the financial statements. The audit states on page 17 that, “The Schedule of Expenditures of Federal Awards (SEFA) which was prepared by the client did not include the Community Based Job Training grant.” As a result the original SEFA submitted by the school was incomplete. The school has put procedures in place to ensure that such an error does not occur again. The school met standard for all of its reporting requirements, and the school’s auditors issued their report until January 17, 2014.

<b>2.2. Are the school’s student enrollment, attendance, and retention rates strong?</b>	
<b>STANDARD</b>	<b>The school’s actual enrollment consistently falls short of target enrollment by 1-9%. Student attendance and retention rates are consistently below the school’s agreed-upon target rates.</b>

### 2012-13 Performance: **Approaching Standard**

The Excel Center’s rating is primarily based on attendance rates. The school exceeded enrollment targets set for 2012-13. The following chart displays the school’s target enrollment compared with its official fall enrollment, as reported by the IDOE.

<b>Year</b>	<b>Target Enrollment</b>	<b>Fall Enrollment</b>	<b>Percent Below</b>
2012-13	1125	1222	N/A

**Source:** Official fall enrollment figures from the IDOE. Target enrollment is the maximum capacity from the school’s charter agreement with the Mayor’s Office, submitted by the school.

The 2012-13 attendance rate at The Excel Center was below the averages of both the county and the state.

	Excel	MC	IN
<b>2012-13 Attendance rate</b>	86.2%	95%	95.8%

No targets have been established for student retention rates for The Excel Center.

Based on the 2012-13 performance, the Excel Center was fully enrolled but fell below the state's target for student attendance. Therefore, the school **approached** the Mayor's Office standard for this indicator.

<b>2.3. Is the school's Board active and competent in its oversight?</b>	
<b>STANDARD</b>	<b>The board's membership collectively contributes a broad skill set and fair representation of the community; board members are knowledgeable about the school; roles and responsibilities of the board are clearly delineated; board meetings reflect thoughtful discussion and progress in the consideration of issues; overall, the board provides consistent and competent stewardship of the school.</b>

#### 2012-13 Performance: **Meets Standard**

The Goodwill Education Initiatives Board governed The Excel Center and Indianapolis Metropolitan High School, was experienced, and provided competent oversight of the school. The board was comprised of members that represented a broad skill set and who were aligned with not only the missions of the schools. The Board was compliant with charter by-laws and members reflected the diverse community served by Goodwill Industries of Central Indiana. In addition, board members had extensive knowledge about the school, and the school's mission to "provide adults the opportunity and support to earn a high school diploma and post-secondary education while developing career paths that offer greater employment and career growth opportunities." There was mission alignment between the board and the administrative team at the Excel Center with Scott Bess, Chief Operating Officer, supporting Betsy Delgado, who was the Executive Director of the Excel Centers. The board met to discuss matters related to the Excel Centers, Goodwill Industries of Central Indiana, and Indianapolis Metropolitan High School at designated times to ensure an individualized focus.

The board chair, C. Perry Griffith provided stable leadership and was deeply committed to the mission of the Excel Center. The chair was engaged and took pride in promoting the successes of the school and worked well with Ms. Delgado as well as Mr. Bess. He was in continuous contact to ensure that he was fully aware of what was happening at the school and able to communicate it to various stakeholders.

The board consistently made quorum at bi-monthly meetings and actively engaged in oversight of the school. The board engaged in a process of continuous improvement. Members were deeply committed to ensuring their oversight of The Excel Center ensures that students were receiving vital services as well as a high quality education. Accordingly, for the 2012-13 school year, The Excel Center **met standard** on this Mayor's Performance Framework indicator.

<b>2.4. Is there a high level of parent satisfaction with the school?</b>	
<b>STANDARD</b>	<b>More than 80% but less than 90% of parents surveyed indicate that they are satisfied overall with the school.</b>

**Not Applicable.** The Excel Center did not administer parent satisfaction surveys as the school's student population is comprised of adult learners.

<b>2.5. Is the school administration strong in its academic and organizational leadership?</b>	
<b>STANDARD</b>	<b>The school's leadership a) has sufficient academic and/or business expertise; b) has been sufficiently stable over time; c) has clearly defined roles and responsibilities among leaders and between leaders and the Board; d) actively engages in a process of continuous improvement which has led to some mid-course corrections.</b>

**2012-13 Performance: Meets Standard**

The administration at The Excel Center was strong in academic and business expertise. In addition, the Excel Center benefitted from an established relationship with Goodwill Education Initiatives, with the Chief Operating Officer (COO) serving this role within the organizational structure of the Excel Centers.

Leadership at the school has remained stable, and the school has demonstrated a clear commitment to continuous improvement. Therefore, for 2012-13, leadership at the school was well-organized, effective, and **met** the Mayor's Office standard for this indicator.

<b>2.6. Is the school meeting its school-specific organizational and management performance goals?</b>	
<b>Meets standard</b>	<b>School has clearly met its school-specific organizational goal.</b>

**Not Evaluated.** The Excel Center did not have school-specific organizational and management performance goals to be evaluated for 2012-13.